

CONTRACT PERIOD THROUGH DECEMBER 31, 2003

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **SALE AND DISPOSAL OF SURPLUS REAL PROPERTY**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **December 18, 2002.**

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

SD/mm
Attach

Copy to: Clerk of the Board
Tom Manos, Finance
Wes Baysinger, Materials Management
Sharon Tohtsoni, Materials Management



CONTRACT FOR SERVICES PURSUANT TO RFP

SALE AND DISPOSAL OF SURPLUS REAL PROPERTY-SERIAL 02101-RFP

This Contract is entered into this 18TH day of December 2002 by and between Maricopa County ("County") and a political subdivision of the State of Arizona, and CB Richard Ellis, ("Contractor") for the purchase of Real Estate services.

1.0 TERM

- 1.1 This Contract is for a term of one- (1) year, beginning on the 1st day of January 2003 and ending the 31st day of December 2003.
- 1.2 The County may, at its option and with the agreement of the Contractor, extend the period of this Contract for additional one (1) year terms up to a maximum of Four (4) additional terms. The County shall notify the Contractor in writing of its intent to extend the Contract period at least thirty (30) calendar days prior to the expiration of the original contract period, or any additional term thereafter.

2.0 PAYMENT

- 2.1 As consideration for performance of the duties described herein, County shall pay Contractor the sum stated in Final Pricing, attached hereto and incorporated herein as Exhibit "A."
- 2.2 Payment under this Contract shall be made after the sale of the Real Estate and in the manner provided by law. Invoices shall be prepared and submitted in accordance with the instructions provided on the purchase order. Invoices shall contain the following information: contract number, purchase order number description of property sold and/or services unit prices, and extended totals.

3.0 DUTIES

- 3.1 The Contractor shall perform all duties stated in the Agreed Scope of Work, attached hereto and incorporated herein as Exhibit "B."
- 3.2 Contractor shall perform the services based on the schedule time(s) stated in Exhibit "B1," or in the purchase order requesting such services.

4.0 TERMS & CONDITIONS

4.1 INDEMNIFICATION AND INSURANCE:

4.1.1 Indemnification.

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees and costs, relating to this Contract.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the negligence of the County.

4.1.2 Insurance Requirements.

Contractor, at its own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of B++6, or approved unlicensed companies in the State of Arizona with policies and forms satisfactory to the County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of the County, constitute a material breach of this Contract.

The Contractor's insurance shall be primary insurance as respects the County, and any insurance or self-insurance maintained by the County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the County.

The Contractor shall be solely responsible for the deductible and/or self-insured retention and the County, at its option, may require the Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

The County reserves the right to request and to receive, within ten (10) working days, certified copies of any requested and required portions of insurance policies and/or endorsements. The County shall not be obligated, however, to review such requested and required portions of policies and/or endorsements or to advise Contractor of any deficiencies in such requested and required portions of policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, shall name the County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The insurance policies required hereunder, except Workers' Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against the County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

4.1.2.1 Commercial General Liability. Contractor shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00 01 10 93 or any replacements thereof.

The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form CG 20 10 11 85, and shall include coverage for Contractor's operations and products and completed operations.

If the Contractor subcontracts any part of the work, services or operations awarded to the Contractor, Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the performance of the Contractor's work, service or operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance.

4.1.2.2 Automobile Liability. Contractor shall maintain Automobile Liability insurance with an individual single limit for bodily injury and property damage of no less than \$1,000,000, each occurrence, with respect to Contractor's vehicles (whether owned, hired, non-owned), assigned to or used in the performance of this Contract.

4.1.2.3 Workers' Compensation. The Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services, as well as Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.

If any work is subcontracted, the Contractor will require Subcontractor to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of the Contractor.

4.1.3 Certificates of Insurance.

4.1.3.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the County fifteen (15) days prior to the expiration date.

4.1.3.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

4.2 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Department of Materials Management
Attn: Director of Purchasing
320 West Lincoln Street
Phoenix, Arizona

For Contractor:

CB Richard Ellis
Attn: John Bullington
2415 East Camelback Road
Phoenix, AZ. 85016

4.3 REQUIREMENTS CONTRACT:

Contractor signifies its understanding and agreement by signing this document, that this Contract is a requirements contract. This Contract does not guarantee any services will be requested.

Contractor shall take no action under this Contract unless specifically requested by County, which shall submit a written notice to proceed with that engagement.

County reserves the right to cancel requested work within a reasonable period of time after issuance.

Contractor agrees to accept verbal cancellation of purchase orders.

4.4 ESCALATION:

Any requests for reasonable price adjustments must be submitted thirty (30) days prior to the Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the Producer Price Index or by performing a market survey.

4.5 TERMINATION:

County may unconditionally terminate this Contract for convenience by providing thirty (30) calendar days advance notice to the Contractor.

County may terminate this Contract if Contractor fails to pay any charge when due or fails to perform or observe any other material term or condition of the Contract, and such failure continues for more than ten (10) days after receipt of written notice of such failure from County, or if Contractor becomes insolvent or generally fails to pay its debts as they mature.

4.6 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person

significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

4.7 OFFSET FOR DAMAGES;

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

4.8 ADDITIONS/DELETIONS OF SERVICE:

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the bid price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

4.9 SUBCONTRACTING:

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County, which shall not be unreasonably withheld. All correspondence authorizing subcontracting must reference the Bid Serial Number and identify the job project.

4.10 AMENDMENTS:

All amendments to this Contract must be in writing and signed by both parties.

4.11 RETENTION OF RECORDS:

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

4.12 AUDIT DISALLOWANCES:

If at any time County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

4.13 VALIDITY:

The invalidity, in whole or in part, of any provision of the Contract shall not void or affect the validity of any other provision of this Contract.

4.14 RIGHTS IN DATA:

The County shall have the use of data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

4.15 INTEGRATION

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, bids, communications, understandings, representations, or agreements, whether oral or written, express or implied.

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

CONTRACTOR

AUTHORIZED SIGNATURE

PRINTED NAME AND TITLE

ADDRESS

DATE

MARICOPA COUNTY

BY: _____
DIRECTOR, MATERIALS MANAGEMENT

DATE

BY: _____
CHAIRMAN, BOARD OF SUPERVISORS

DATE

ATTESTED:

CLERK OF THE BOARD

DATE

APPROVED AS TO FORM:

MARICOPA COUNTY ATTORNEY

DATE

CB RICHARD ELLIS, 2415 E CAMELBACK ROAD, PHOENIX, AZ 85016

EXHIBIT A 02101
SERIAL 02101-RFP
PRICING SHEET S06 55 01

BIDDER NAME:	<u>CB RICHARD ELLIS</u>
F.I.D./VENDOR #:	<u>952743174</u>
BIDDER ADDRESS:	<u>2415 EAST CAMELBACK ROAD, PHOENIX AZ. 85016</u>
P.O. ADDRESS:	
BIDDER PHONE #:	<u>602-735-5555</u>
BIDDER FAX #:	<u>602-735-5656</u>
COMPANY WEB SITE:	<u>WWW.CBRE.COM</u>
COMPANY CONTACT (REP):	<u>JOHN BULLINGTON</u>
E-MAIL ADDRESS (REP):	<u>JBULLINGTON@CBRE.COM</u>

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: ☒ YES ☐ NO

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: ☒ YES ☐ NO
NET 20 X

1.1 PROPOSED FEE'S	PERCENT OF SALE
LISTING 1 – 115TH AVENUE AND MCDOWELL ROAD	5%
LISTING 2 – DORSEY LANE SOUTH OF BROADWAY	_____ %
LISTING 3 – 79TH AVENUE NORTH OF MOUNTAIN VIEW	6%
LISTING 4 – 67TH AVENUE AND MCDOWELL ROAD	6%
LISTING 5 – 5TH AVENUE AND FILMORE	6%
LISTING 6 – BELL BUTTE	_____ 6%
LISTING 7 – DYSART ROAD AND VAN BUREN STREET	6%
LISTING 8 – RIO RICO SOUTH OF TUCSON, AZ	6%
LISTING 9 - LINDSAY ROAD AND LEXINGTON STREET	6%
TOTAL OVERALL FEE	_____ %

2.0 HOURLY RATES

2.1 SENIOR ASSOCIATE	\$	125.00	PER HOUR
2.2 DIRECTOR	\$	225.00	PER HOUR
2.3 AGENT	\$	325.00	PER HOUR
2.4 APPRAISER	NB		
2.5 AUCTIONEER	NB		
2.6 ENGINEER	NB		
2.7 FINANCIAL CONSULTING ANALYST	\$	105.00	PER HOUR
CONSULTANT	\$	115.00	PER HOUR
SENIOR CONSULTANT	\$	130.00	PER HOUR
MANAGING DIRECTOR	\$	195.00	PER HOUR

**EXHIBIT B 02101-RFP
SALE AND DISPOSAL OF SURPLUS REAL PROPERTY**

1.0 INTENT:

It is the County's intent to enter into a contract with a real estate broker to develop, implement and liquidate these properties in a manner that meets the statutory requirement of receiving an amount that exceeds 90% of the appraised value plus maximizes the financial return to Maricopa County.

Maricopa County has other property needs that are defined in the County Capital Improvement Plan. The County's intent is to contract with a broker that is capable of not only selling properties but also is open to investigating the potential for, and facilitating the transfer of, properties through trades, swaps, leases or other transactions for properties that satisfy the Master Plan's requirements.

2.0 SCOPE OF WORK:

2.1 Real Property Sales. Contractor shall provide a meaningful and aggressive plan that contains a disposal approach for each parcel contained in the "Surplus Land Portfolio." Due to the need to fund projects from the proceeds from the sale of these parcels, the County's desire is to have the majority of the property disposed not later than June 30, 2003.

2.2 There will be no up front payments by Maricopa County to cover expenses incurred by the contractor and that accelerate parcel disposals. Contract payments will be based on a percentage of the sale price or appraised value for each parcel whichever is higher.

2.3 Each proposed disposal plan shall address, at a minimum, the following items:

2.3.1 Due Diligence, Disposal Strategy, Valuation Review and Recommendations.

2.3.1.1 Title reports review and analysis with emphasis on exceptions, CC&R's, and actual and potential encumbrances and their effect on value.

2.3.1.2 Review of Phase I environmental reports.

2.3.1.3 Review of and municipal plans with analysis of potential changes to maximize property value.

2.3.1.4 Identification of "Highest and Best" use for each parcel.

2.3.1.5 Listing of utility physical locations and capacities.

2.3.1.6 Review of property surveys.

2.3.1.7 Review of property appraisals.

2.3.1.8 Recommended value for each parcel.

2.3.1.9 Certification of performance, date performed and reviewer's name for items 2.3.1.1 through 2.3.1.8-surrounding marketplaces.

2.3.1.10 Certification of compliance with all statutory and Maricopa County disposal requirements.

- 2.3.1.11 Development and presentation of a specific marketing strategy for each parcel. Proposed disposal strategy will include as a minimum:
- 2.3.1.12 Sample marketing materials.
- 2.3.1.13 List of major activities and events.
- 2.3.1.14 Project timeline.
- 2.3.1.15 Names, addresses and phone numbers of Contractor contacts responsible for the executing the marketing strategy.
- 2.3.1.16 Implement Approved Disposal Strategy.
- 2.3.1.17 Execute approved disposal strategy.
- 2.3.1.18 Provide bi-weekly progress reports detailing activities accomplished, ongoing efforts, inquiries received, strategy adjustments recommended, and issues or problems requiring resolution.
- 2.3.1.19 Execute Public Auction, if required.
- 2.3.1.20 Certificate of compliance with all statutory and County requirements
- 2.3.1.21 Facilitate transaction closure and title transfer within a reasonable time period for each property as mutually agreed by the County and the Contractor.
- 2.3.1.22 Leasing Services. Maricopa County is interested in exploring the potential for utilizing the services of a contractor to perform office and other leasing services. At its sole discretion the County may include these services in the final contract award.

- 2.3.2 Other real estate services. Maricopa County from time to time has a need for real estate service that may include research, financial and strategic planning or reports for specific purposes. This work would be compensated for on a time and materials basis

2.4 TAX:

No tax shall be levied against labor. Pricing shall include all labor, overhead, tools and equipment used, profit, and any taxes that may be levied. It is the responsibility of the contractor to determine any and all taxes and include the same in the price submitted.

2.5 ADDITIONAL INFORMATION

- 2.5.1 Attach proposed schedule. Acceptance of proposed schedule. (SEE EXHIBIT BI)
- 2.5.2 For the initial parcels identified the county will provide: a current title report, current appraisals, surveys on those sites we have surveys on and environmental reports if available. County at its option may provide additional information as required.
- 2.5.3 Maricopa County agrees to provide current or updated title reports, current or updated appraisals for the parcels identified in Serial 02101-RFP. Copies of plats and reports for those sites with existing survey and environmental information will be provided. The County, at its option,

may agree to provide additional report and or plat information as it deems necessary.

- 2.5.4 The County's point of contact, review and approval designee is Dennis Lindsay, Real Estate Services Manager, Department of Finance, 301 West Jefferson, Suite 960, Phoenix Arizona 85003. The phone number is 602-506-1067 and fax number is 602-506-0559.
- 2.5.5 Pursuant to the response to the RFP, with the approval of Dennis Lindsey select a schedule, time and place for bi-weekly update meetings.
- 2.5.6 By acceptance of this contract vendor acknowledges that written authorization must be received to perform work other than surplus land as identified in this RFP.
- 2.5.7 By acceptance of this contract vendor acknowledges that unauthorized contact with county staff other than those directly involved with a specifically approved project is discouraged, whether in leased or county owned facilities and may at County's discretion, constitute an event of default.
- 2.5.8 By acceptance of this contract, vendor acknowledges that Maricopa County strongly encourages participation in the standard real estate practice of co-brokering County real property and leasing transactions. Maricopa County will not pay any additional fee's, commission's etc. to any third party.

EXHIBIT B-1

Approximate Timeline of Events for Surplus Land Sales

December 18, 2002	Tentative Board of Supervisors approval of broker for RFP – sales of surplus land. Tentative Board of Supervisors approval of parcels identified as excess land.
December 27, 2002	Execution of final contract with selected broker.
January 8, 2003	Meet with broker to review marketing plans, requirements for advertising, needed deliverables by county.
January 16, 2003	Avondale Planning Commission meeting for approval of rezoning (115 th Ave/McDowell)*.
January 27, 2003	Submit advertisement for auction, minimum legal requirement 30 days, anticipated public advertisement period 53 days.
February 17, 2003	Avondale rezoning becomes effective.
April 16, 2003	Date of auction (78 days after first advertisement).
May 7, 2003	Approval of results of auction by Board of Supervisors
June 4, 2003	Close of escrow and deposit of funds (48 days after auction).

- The Peoria site rezoning is on a similar time line.

ACCEPTANCE OF SCHEDULE:

The undersigned acknowledges the above schedule of events and accepts that the dates represented are reasonable in their timing and interval.

PRINTED OR TYPED NAME

TITLE

SIGNATURE

DATE

CB RICHARD ELLIS, 2415 E CAMELBACK ROAD, PHOENIX, AZ 85016

Terms:	NET 30
Federal Tax ID Number:	95-2743174
Vendor Number:	952743174
Telephone Number:	602/735-5555
Fax Number:	602/735-5655
Contact Person:	Greg Coxon or John Bullington
E-mail Address:	jbullington@cbre.com
Company Web Site:	www.cbre.com
Certificates of Insurance	Required
Contract Period:	To cover the period ending December 31, 2003 .